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U.S. reportedly eases support for covert acts into Nicaragua

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Washington—The Reagan administration is pulling back from support of covert operations into Nicaragua out of Honduras, informed officials said yesterday.

Congressional actions combined with the adverse publicity arising from the activities by U.S.-supported anti-Sandinista rebels, they said, are dictating a more moderate approach.

Exactly what that leaves in the way of clandestine activity by the Central Intelligence Agency in Honduras remains unclear. But one official source said the administration has been forced to "balance off the policy against the reaction that it incurred."

In fact, the administration has never acknowledged publicly that it sponsored cross-border harassment, as the Sandinista government in Managua has charged, by any of the several Nicaraguan exile forces in

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—Congressional source

Honduras. But William J. Casey, the director of central intelligence, told congressional intelligence committees in secret testimony last month that such raids have occurred.

The U.S. goal, he said, was to stop the flow of arms from Nicaragua to insurgent forces in El Salvador—which other officials reported yesterday is continuing. Other officials have described U.S. policy as one of harassment of the Marxist government in Managua to force democratization, not its collapse.

But the administration left many members of Congress doubtful that a distinction was possible and worried that the administration was fixed on a course of deepening involvement. One result was congressional action in December to forbid U.S. support for "military activities for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

That language was a compromise arranged by the administration. Some members of Congress had wanted to adopt language even more restrictive.

The compromise, subject to interpretations of intent, left great flexibility for the CIA contingent in Honduras, which Mr. Casey said numbered about 50. He emphasized that Americans have not crossed the border. Nonetheless, administration officials said, the trend since Mr. Casey testified has been toward moderation without compromise of the administration's anti-Marxist goals.

Congressional concern was one reason, according to a specialist on the region. Another, he said, was changing circumstances, including the resignation late last month of Francisco Fiallos, Nicaragua's ambassador to the United States.

Mr. Fiallos became the second envoy here to quit in little more than a year. He did so after his government censored an interview he had conducted with the Nicaraguan newspaper *La Prensa* in which he criticized government policies.

Among other points deleted from the published interview, Mr. Fiallos urged a more pragmatic foreign policy, including improved relations with the United States. He complained about what he called the government's "dreadful handling" of relations with the Catholic Church and called for more political freedom for Nicaraguans.

Mr. Fiallos also was critical of U.S. policy, calling it confrontational. In fact, he said, all outsiders should "leave it to Nicaragua to solve its problem." In the aftermath he announced his support for Eden Pastora Gomez, a former Sandinista leader now in exile in Costa Rica.

The former ambassador since has become embroiled in a long-distance shouting match with the government in Managua over the disposition of money from an embassy land sale in Washington. The government says some \$618,000 is unaccounted for; Mr. Fiallos says he turned over the funds to Managua.

One congressional source suggested yesterday that the whole affair, coupled with concern in Congress, has helped persuade the administration to reduce the confrontational tone of its policy. It "serves no point," he said, "to justify the paranoia in Managua at a time when others are making the case against the regime."

There is little hope here, however, of exploiting openly the defection of Mr. Fiallos and his alliance with Mr. Pastora. The latter, known as Comandante Zero during his guerrilla days, also has remained critical of the United States.

But at least some U.S. officials are known to believe that a political alternative in Nicaragua that includes Mr. Pastora may be more practical and attractive than some present U.S. clients. Those include former national guardsmen in the regime of the late dictator Anastasio Somoza DeBayle.

"For sure the administration doesn't want that bunch back in Managua," the congressional source said. "The trick is to get acceptable policies in Nicaragua without that happening."